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ELLIOTT & ELLIOTT, P.A.
ATTORNEYS AT LAW
721 OLIVE STREET
COLUMBIA, SOUTH CAROLINA 29205
ccook@elliottlaw.us

CHARLES H. COOK
OF COUNSEL

TELEPHONE (803) 771-0555
FACSIMILE (803) 771-8010

March 4, 2005

HAND DELIVERY

Mr. Charles Terreni
Chief Clerk of the Commission
SC Public Service Commission
P. O. Drawer 11649
Columbia, SC 29211

2005-43-S

RECEIVED
2005 MAR -4 PM 2:37
SC PUBLIC SERVICE
COMMISSION

RE: Application of J. C. Cox Utility, Inc. for Approval of the
Transfer of the Forest Hills Sewer System to JACABB Utilities, LLC

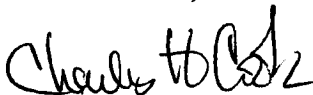
Dear Mr. Terreni:

Enclosed for filing please find an original and 15 copies of the Application of J. C. Cox Utilities, Inc. for Approval of the Transfer of the Forest Hills Sewer System to JACABB Utilities, LLC. I have enclosed two (2) extra copies of this application, which I would ask you to date stamp and return to me via my courier.

Please do not hesitate to contact me, if you have any questions or if I may provide you with any additional information. Thank you in advance for your assistance.

Sincerely,

Elliott & Elliott, P.A.



Charles H. Cook

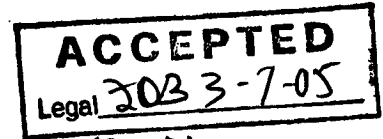
CHC/jcl

Enclosures

c: James S. Eakes, Esquire
Florence P. Belser, Esquire

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2005-435 ORIGINAL



SC PUBLIC SERVICE
COMMISSION

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RECEIVED

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

RE: Joint Application of J.C. Cox Utility, Inc.)
and JACABB Utilities, LLC for Expedited)
Approval of a Transfer of Assets; the Transfer) **JOINT APPLICATION**
of Operating Authority; and Transfer of all) **TRANSFER OF ASSETS**
Sewer Service System without Limitations) **AND AUTHORITY**
Serving Forest Hills subdivision, Anderson)
County, South Carolina)

J.C. Cox Utility, Inc. and JACABB Utilities, LLC, joint applicants herein, pursuant to 26 S.C. Code Ann., Regs. R.103-504 and other applicable rules and regulations of the Public Service Commission of South Carolina (hereinafter, "the Commission"), hereby request that the Commission expedite and approve the transfer of the wastewater treatment facility, including infrastructure and all assets without limitation, and all operating authority (hereinafter, "the wastewater treatment facility") serving Forest Hills Subdivision, in Anderson County, South Carolina. In support of their joint application, the Applicants would show the following.

1. Applicant J.C. Cox Utilities, Inc. (hereinafter, "J.C. Cox") is a public utility subject to the jurisdiction of this Commission, currently operating the wastewater treatment facility serving the Forest Hill Subdivision. Its corporate charter is presently on file with the Commission.

2. Applicant JACABB is a South Carolina limited liability company in good standing under the laws of South Carolina and is qualified to provide the services contemplated herein.

3. All communications concerning this Application may be directed to:

J.C. Cox Representative:

Robert J. Ellison
J.C. Cox Utilities, Inc.
35 Lester Road
Williamston, SC 29697

JACABB Representative:

Steve Goldie
210 West North 2nd Street
Seneca, SC 29678
864-882-8194

Legal Representative:

Scott Elliott
Charles H. Cook
Elliott & Elliott, P.A.
721 Olive Street
Columbia, SC 29202
803-771-0555

Legal Representative:

James S. Eakes
Allen & Eakes
114 West Orr Street
P. O. Box 1405
Anderson, SC 29622
864-2241681

4. Applicant J.C. Cox has agreed to transfer and Applicant JACABB has agreed to buy the operating assets of the wastewater treatment facility as is more fully set forth in the Agreement which is attached hereto as "Attachment A" constituting that certain wastewater treatment facility asset purchase agreement bearing the date of November 30, 2004, including an assignment of the operating authority to service all of the customers of the Forest Hills Subdivision, and an assignment of any and all easements of the Forest Hills Subdivision to the JACABB Utilities, LLC.

5. The transfer contemplated, after regulatory approvals, will be a final transfer and sale of the wastewater treatment facility and JACABB assumes liability attendant to the operation of the wastewater treatment facility of the Forest Hills

Subdivision. Therefore, the agreement of the parties does not create a joint venture by the parties, but calls for a final transfer and sale.

6. The transfer contemplated herein will be carried out in accordance with and subject to the regulations of the Commission and in coordination with the customers of the Forest Hills Subdivision.

7. This transfer, if approved by this Commission, is subject to the terms, conditions and rates set out in Order No. 2004-101 dated March 11, 2004, in Docket No. 203-277-S and is subject to the terms and conditions of the NPDES permit issued by South Carolina Department of Health and Environmental Control and all applicable consent orders between the Applicant J.C. Cox and South Carolina Department of Health and Environmental Control. Applicant JACABB, LLC currently has sufficient capacity to properly provide sewer service to the customers of the Forest Hills Subdivision.

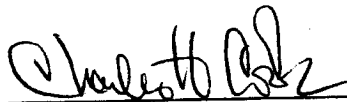
8. Based upon the foregoing, it is in the best interests of the customers of J.C. Cox and in the public interest that this Commission approve the proposed transfer from the Applicant J.C. Cox to the Applicant JACABB.

9. The Applicants are informed and believe that they are entitled to an order of this Commission waiving any requirement for a formal hearing on this Application, after notice, if no substantial opposition arises therefrom, and expediting the approval of the transfer requested herein.

WHEREFORE, having fully set forth the reasons in their Application, J.C. Cox Utilities, Inc. and JACABB, LLC respectfully request that this Commission issue its order:

- A. waiving any requirement for a formal hearing in connection the application herein;
- B. expediting its consideration of the application herein;
- C. granting its approval of the transfer requested herein; and
- D. granting such further and other relief as this Commission deems fit and proper.

Respectfully submitted,



Scott Elliott, Esquire
Charles H. Cook, Esquire
Elliott & Elliott, P.A.
721 Olive Street
Columbia, SC 29205
803-771-0555

Attorneys for Applicant J.C. Cox Utilities, Inc.



James S. Eakes, Esquire
Allen & Eakes
114 West Orr Street
P. O. Box 1405
Anderson, SC 29622
864-224-1681

Attorneys for JACABB, LLC

March 4th
~~February~~ 4th, 2005

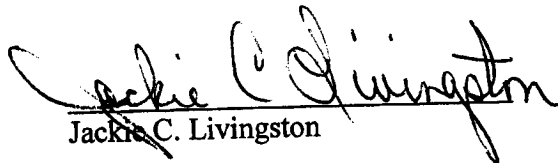
CERTIFICATE OF SERVICE

The undersigned employee of Elliott & Elliott, P.A. does hereby certify that she has served below listed parties with a copy of the Application of J.C. Cox Utilities, Inc. for Approval of the Transfer of the Forest Hills Sewer System to JACABB Utilities, LLC, indicated below by mailing a copy of same to them in the United States mail, by regular mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

RE: Application of J. C. Cox Utilities, Inc. for Approval of the Transfer of
the Forest Hills Sewer System to JACABB Utilities, LLC

PARTIES SERVED: Florence P. Belser, Esquire
 ORS
 P. O. Box 11263
 Columbia, SC 29211

James S. Eakes, Esquire
Allen & Eakes
P. O. Box 1405
Anderson, SC 29622


Jackie C. Livingston

March 4, 2005

ATTACHMENT A

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

)
)
)
SANITARY SEWERAGE ASSET
PURCHASE AGREEMENT

This agreement is entered into on November 30, 2004,
between J.C. Cox Utilities, Inc., a corporation organized and
existing under the laws of South Carolina, hereinafter referred
to as Seller, and JACABB Utilities, LLC, a South Carolina
limited liability company, hereinafter referred to as Purchaser
or Buyer. James T. Ellison and Robert J. Ellison are also
parties to this agreement, as individuals and not as Seller(s)
and only for the purposes stated herein.

RECITALS

1. The Seller owns and is the licensed operator of a
waste water treatment facility ("WWTF") serving the Forest Hills
Subdivision located in Anderson County, South Carolina. This is
a sewer collection and treatment facility and natural pollution
discharge elimination system ("NPDES").

2. The Seller has entered into a consent order and an
amended consent order (02-142-10) with the South Carolina
Department of Health and Environmental Control ("DHEC" or
"Department") agreeing to certain conditions and requirements as
contained in the amended consent order. A copy of the amended
consent order is attached hereto as Exhibit "A".

3. The Buyer desires to acquire all of the properties,

John J. Mundy

assets, and rights of the Seller in and to the waste water treatment facility located in Forest Hills Subdivision, subject to the prior approval by the South Carolina Department of Health and Environmental Control and the South Carolina Public Service Commission.

4. The Seller is willing to sell and to transfer such properties, assets, and rights to the Buyer in consideration of the Buyer assuming and agreeing to be responsible for the operation of the waste water treatment facility and to complete all of the remaining requirements of the DHEC amended consent order, attached hereto as Exhibit "A", with the exception of the civil penalty contained therein in the amount of \$2,000.00 which has already been incurred.

In consideration of the mutual covenants and promises contained in this agreement, the parties agree as follows:

SECTION ONE
SUBJECT MATTER

Subject to the terms and conditions of this agreement and the recitals hereinabove, the Seller agrees to sell and deliver to the Buyer, and the Buyer agrees to accept and to take from the Seller at closing:

a.) All of the properties, assets, licenses and permits, contracts, accounts receivable, and other rights of Seller of every kind and description, real, personal, mixed, tangible, and

intangible, wherever situate, utilized in the operation of the WWTF in Forest Hills Subdivision and as listed on the attached Exhibit "B", which is incorporated herein by reference.

b.) Upon closing, the Buyer shall assume and be responsible to complete any remaining requirements of the attached amended consent order (Exhibit "A"). However, any civil penalty incurred prior to closing will be the responsibility of the Seller. Thereafter, should any penalty arise either from the consent order or operations after closing, the Buyer will be responsible and hold the Seller harmless.

c.) The Seller shall be responsible for the continued operation of the waste water treatment facility pending closing. Goldie and Associates, Inc. has been hired by Seller to perform testing and for the day-to-day operation of the WWTF except for repairs and maintenance. For compensation for its services prior to the execution of this agreement, Goldie and Associates, Inc., will be conveyed the lots described in the companion agreement to convey real estate. After the execution of this agreement, the Seller will pay Goldie and Associates, Inc., for its contracted services from its revenue through the date of closing.

J.A.E.
RSE
SM

SECTION TWO
CONSIDERATION

Upon closing, as consideration for the sale and transfer of the assets to the Purchaser, the Purchaser agrees to accept and to be responsible to complete the remaining obligations and requirements of the Seller contained in the amended consent order (Exhibit "A") with DHEC, excepting any monetary civil penalty due at closing, and to be responsible for the operation of the WWTF after closing, including the agreement hereby to hold the Seller harmless from any liabilities of the WWTF arising after closing.

J.M.E.
RJE
SPH

SECTION THREE
CONTINGENCIES

This contract is made subject to the following contingencies:

a.) This agreement is specifically conditioned upon, and expressly subject to, the final approval of this sale prior to closing by both the South Carolina Public Service Commission and the South Carolina Department of Health and Environmental Control. If the approvals have not been obtained within ninety (90) days, then either party may, at its option, elect to terminate this agreement, and in that event, the obligations of all parties under this agreement shall be null and void.

b.) This agreement is further specifically conditioned upon James T. Ellison and Robert J. Ellison conveying unto Goldie and Associates, Inc., good and marketable fee simple title to the following lots in Forest Hills Subdivision to satisfy the debt of Seller to Goldie and Associates, Inc., for operating the WWTF: Lots 21, 25, 42, 43, 44, 45, 46, 47, 48, 61, 62, 63, 64, 65, 66, 67, 68, 71, 72, 73, 74, and 75 of Forest Hills Subdivision. (Good and marketable fee simple title is specifically subject to subdivision covenants, easements, and conditions of record, and right of ways and easements related to any type of utility, county, city or state road rights of way.)

J.T.E.
RJE
JPH
c.) The conveyance to the Buyer the sewer lagoon by quitclaim deed and all easements and rights-of-way necessary for the operation of the WWTF by quitclaim deed.

d.) The conveyance of all assets free and clear of all liens and encumbrances with the exception of the remaining requirements of the amended consent order (Exhibit "A") and any requirements of the PSC.

e.) Immediately after the execution of this agreement, the Buyer, or its authorized representative, shall have access to all books and records of the Seller for the purpose of reviewing, copying, inspecting, and auditing those books and records.

f.) This agreement is contingent upon the Buyer being able

to obtain all permits and licenses necessary for the operation of the WWTF.

g.) This agreement is further conditioned upon, not only approved by DHEC, but a release of the Seller by DHEC from any further obligation or responsibility under the consent order.

SECTION FOUR
CLOSING

a.) Closing Date. Unless the closing date is extended by the mutual consent of the parties, the Closing will be held within ninety (90) days after the execution of this agreement, or sooner if the required approvals are obtained and the other conditions and contingencies are met. The parties may mutually agree to extend the closing date by written agreement.

b.) Closing. On the closing date, the closing shall occur as follows, subject to the satisfaction of the terms and conditions of this agreement.

i.) The Seller shall convey to the Buyer the real property where the sewer lagoon is located and all rights-of-way and easements necessary for the operation of the WWTF by a quitclaim deed, duly executed, in recordable form.

ii.) Conveyance of the lots pursuant to the terms of the companion agreement to convey real estate.

iii.) The Seller shall execute and deliver to the Buyer an

assignment of leases or rental agreements affecting the assets (if any).

iv.) The Seller shall execute and deliver a bill of sale transferring all other assets of the WWTF to Buyer free and clear of all liens and encumbrances with the exception of the remaining requirements of the amended consent order with DHEC.

v.) The Seller shall deliver possession and access of the WWTF and all of its assets to Buyer at closing.

vi.) This closing costs shall be paid by the parties as follows:

Seller: To pay its own attorney's fees; pro-rata real estate taxes; and stamps.

Buyer: To pay its attorney's fees; fees for document preparation; cost of plats, if any; recording fees; and any other acquisition costs which it incurs.

vii.) The Seller shall deliver to Buyer at closing all customer records; all records pertaining to and necessary for the operation of the WWTF; all records for the assets; and all other information on file regarding the WWTF.

viii.) An assignment of the right to service all customer and all lots in Forest Hills Subdivision.

J. H. E.
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SECTION FIVE
SELLER'S REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to, and agrees with, Buyer as follows:

a.) Seller is a corporation duly organized, validly existing, and in good standing under the laws of South Carolina, with full corporate power and authority to own its property and to conduct the business that it presently conducts.

b.) There are no actions, suits, claims, investigations, or legal or administrative or arbitration proceedings pending or threatened against, or for the benefit of, Seller, nor to Seller's knowledge any basis for any such claims, except for the amended consent order with DHEC attached hereto as Exhibit "A" and existing orders of the PSC which are available to Buyer as public records.

c.) Other than the amended consent order, there have been no material adverse changes in the business, operations, properties, assets, or liabilities of Seller, and until the closing, Seller's business will continue to be conducted in the usual, regular, and ordinary manner in all material respects, and on information and belief, no material adverse changes in the business, operations, properties, assets, or liabilities are expected to the date of the closing.

d.) The Seller further warrants that it has paid any and

all payroll, sales, use, workers' compensation, or other such taxes that the Seller would owe on or before the date and time of closing. The Seller further agrees to hold harmless the Purchaser in regard to any such claims which are made against the Purchaser for these items, including reasonable attorney's fees and costs.

e.) The Seller warrants and represents that the assets to be transferred are debt free and that, as of closing, there shall be no liens, encumbrances, or claims of any kind against said assets to be transferred, and that there are no other parties claiming an interest in said assets, except as contained in the amended consent order with DHEC.

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f.) From the date of this agreement through the closing, Seller shall keep all of the assets of Seller in a normal state of repair and operating efficiency, customary in the business, and shall use its best efforts to preserve the business organization intact, and preserve the goodwill of Seller and its customers and others having business relations with Seller and the WWTF.

g.) The Seller has the legal power and right to enter into and perform this agreement. The consummation of the transactions contemplated by this agreement will not violate any provision of law, or any of Seller's articles of incorporation or bylaws.

h.) All financial statements of Seller furnished to Buyer under this agreement are true, correct, and complete statements of the financial condition and results of Seller's operations as, at, and for the period specified, and were prepared according to generally accepted accounting principles consistently applied. Seller has filed all federal, state, county and local income, withholding, FICA, excise, property, sales, use, and other tax returns that are required to be filed by it, and has paid all taxes due for periods prior to the date of this agreement. There are no facts in existence as of the date of this agreement and known to Seller that might serve as the basis of any material liabilities of Seller other than those disclosed by the financial statements or tax returns of Seller.

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i.) Seller, as of closing, shall provide good and marketable title as hereinabove agreed to all the properties, assets, and rights to be delivered by it to Buyer free of all liens, charges, and encumbrances except (1) taxes constituting a lien but not yet due and payable, (2) defects or irregularities of title or encumbrances that are not such as to interfere materially with the operation or use or materially reduce the value of any such property, asset, or right or materially affect title to the property, and (3) such other defects or irregularities of title or liens or encumbrances as Buyer may have waived in writing or as are contemplated above in Sections

Three and Four and agreed to by Seller's and Buyer's execution hereby.

j.) Seller has not employed any broker or agent with respect to the sale and purchase contemplated in this agreement, nor taken any other action, nor will Seller take any such action, that would cause the Buyer to become liable for the payment of any finder's fee, broker's fee, or commission.

k.) As of the closing, Seller shall hold all licenses and permits necessary or appropriate for the operation of its WWTF, and the licenses and permits shall be current and in good standing except as noted in Exhibit "A" (DHEC Consent Order).

l.) The consummation of this agreement does not violate any agreement or agreements to which the Seller is subject.

m.) All assets being sold are believed to be in good operating condition, subject only to normal wear and tear. However, all assets are sold and transferred in "as is condition" when closing is effected hereunder.

SECTION SIX
BUYER'S REPRESENTATIONS AND WARRANTIES

Buyer represents, warrants to, and agrees with Seller as follows:

a.) Buyer is a limited liability company duly organized,

validly existing, and in good standing under the laws of South Carolina and has full power to carry on its business as now being conducted.

b.) The execution of this agreement and all documents provided for in this agreement by Buyer and its delivery to Seller have been duly authorized by Buyer's members, and no further action is necessary on Buyer's part to make this agreement valid and binding on Buyer in accordance with its terms.

c.) It will be in a position financially to fulfill the terms of this agreement as of the date of closing.

d.) It will use its best efforts in the operation of the WWTF so as to meet all obligations required by this agreement.

e.) The Buyer will assume the operation of the WWTF at closing so as to meet all obligations required by this agreement and those continuing after closing.

f.) The Buyer shall indemnify and hold harmless the Seller, Robert J. Ellison and James T. Ellison, against and in respect of all liabilities and obligations of, or claims against, Buyer resulting from its operation of said WWTF and properties purchased from the date of closing and thereafter, to include reasonable attorney's fees and costs.

SECTION SEVEN
OTHER AGREEMENTS

A.) The Buyer is not assuming any liabilities in connection with the WWTF except for the conditions contained in the amended consent order with DHEC and as contemplated hereby in this agreement.

B.) Pending closing, the Seller shall have the sole responsibility for the operation and management of the WWTF as a going concern. The Seller shall indemnify and hold the Buyer harmless from and against any and all claims or actions which may be brought against the Buyer arising out of the ownership or operation of the WWTF prior to the date of closing, including reasonable attorney's fees and costs. The Buyer shall indemnify and hold the Seller harmless from and against any and all claims or actions which may be brought against the Seller arising out of the ownership or operation of the WWTF by the Buyer after the date of closing, including reasonable attorney's fees and costs.

C.) Seller further agrees to indemnify and to hold the Buyer and its successors and assigns harmless against any and all liabilities, claims, actions, suits, and judgments existing prior to the closing and not expressly assumed by the Buyer in writing, and any costs, expenses, and reasonable attorneys' fees incident to same, and incurred by the Buyer in defense of same. The Buyer agrees to provide notice of any such claim to the

Seller within ten (10) days of it being made, and to allow the Seller the right to defend the claim prior to paying it or making any claim to the Seller regarding it. This indemnification and agreement to hold the Buyer harmless shall apply to, but is not limited to, the following:

i.) All liabilities of the Seller and WWTF, of any kind or nature, whether accrued, absolute, contingent, or otherwise existing at the closing date except the conditions of the consent order with DHEC which will be assumed by Buyer.

ii.) Any damage or deficiency arising from any misrepresentation or breach of warranty;

iii.) Any tort liability of any kind or nature arising from a tort or legal wrong committed by Seller or said business or its employees or agents, prior to the date of the closing.

iv.) Any violations by Seller or Seller's agents of any laws, statutes, rules, regulations, including those related to toxic or hazardous substances prior to the date of closing (except for the requirements of the consent order); and

v.) All actions, suits, proceedings, demands, assessments, judgments, reasonable costs and expenses incident to any of the foregoing.

C.) Pending the closing of this transaction, Buyer shall exercise no control over the operation of the WWTF. The operations of Seller shall be Seller's sole responsibility up to

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D.) The Seller, James T. Ellison and Robert J. Ellison will retain ownership of certain lots in Forest Hills Subdivision. These lots will be in the service area of the WWTF purchased by Buyer. It is the intent of Buyer to upgrade the WWTF so that these lots can be served under rates and orders of the PSC. James T. Ellison and Robert J. Ellison agree for themselves, their successors, heirs, assigns, grantees and successors in title that Buyer will have the exclusive option to serve or provide sewer service to these lots if capacity is available when such lots are sold or can be made available within ninety (90) days of written request, and the applicable tap fees and costs will be paid for each lot served.

SECTION TEN
MISCELLANEOUS

a.) No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

b.) In the event of the bringing of any action or suit by a party hereto against another party by reason of any breach of any of the covenants, agreements, or provisions on the part of any party arising out of this agreement, then, in that event, the prevailing party shall be entitled to have and to recover of and from the other party all costs and expenses of the action or suit, including reasonable attorney's fees and any other professional fees resulting therefrom.

c.) The parties hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision hereof and that failure to perform timely any of the terms, conditions, obligations or provisions hereof by any party shall constitute a material breach hereof and a noncurable (but waivable) default under this agreement by the parties so failing to perform.

d.) The parties hereto acknowledge that this agreement has been negotiated and entered into in the State of South Carolina. The parties expressly agree that this agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of South Carolina.

e.) The representations, warranties, rights, duties, agreements and obligations of the parties provided in this agreement shall survive the closing, and this agreement shall specifically survive the closing.

f.) This agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

g.) This agreement can only be amended or supplemented by a written agreement, and it may not be orally modified or changed.

IN WITNESS WHEREOF, the undersigned parties have hereunto set their hands and seals the date and year first above written.

IN THE PRESENCE OF:

J.C. Cox Utilities, Inc.

[Handwritten signature]
[Handwritten signature]

BY: Robert J. Eakin
 ITS: President

ATTEST: _____
 ITS: _____
 SELLER

Edward Eder
Ellen C. Christensen

JACABB Utilities, LLC
BY [Signature]
ITS: its managing members
BUYER

[Signature]
Deane L. Anderson

James T. Ellison
James T. Ellison

[Signature]
Deane L. Anderson

Robert J. Ellison
Robert J. Ellison

EXHIBIT "B"

ASSETS

1. All existing gravity sewer mains, manholes, and easements serving Forest Hills Subdivision near Williamston, South Carolina, in Anderson County, including, but not limited to those shown on drawings prepared by Farmer & Simpson Engineering for Forest Hills Subdivision dated April 4, 1997; February 25, 1981; and November 16, 1983.
2. Waste water treatment system and appurtenances including, but not limited to, property, lagoon, lift station, bar screen, two arators, piping, pumps, electrical system, biotower, chlorination and de-chlorination basins, fencing, and spare parts.
3. Customers, customer records, and all permits.
4. Public access.
5. Systems easements and rights of way.
6. All inventory.
7. All permits that are transferrable.
8. All assets of the waste water treatment facility serving Forest Hills Subdivision.